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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/750,322

01/02/2004

Timothy Joseph Johnson

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EXAMINER

NGUYEN, TRAN N

ART UNIT

PAPER NUMBER

3626

MAIL DATE

DELIVERY MODE

08/08/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/750,322	<b>Applicant(s)</b> JOHNSON, TIMOTHY JOSEPH	
	<b>Examiner</b> Tran N. Nguyen	<b>Art Unit</b> 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 12 July 2007.
- 2a) ☒ This action is FINAL.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1,2,4-13,15-24 and 26-36 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,2,4-13,15-24 and 26-36 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

**DETAILED ACTION**

***Notice to Applicant***

This communication is in response to the communication filed 07/12/2007.

Pending claim(s): 1-2, 4-13, 15-24, 26-36. Cancelled claim(s): 3, 14, 25. New claim(s): 34-36. Amended claim(s): 1-2, 4, 6-7, 10, 12-13, 15, 17-18, 21, 23-24, 26-33.

***Response to Amendment***

As per the objection to the abstract imposed in the previous Office Action, this objection is hereby withdrawn in view of Applicant's amendment to the abstract.

As per the objection to claims 3, 14, and 25 imposed in the previous Office Action, this objection is hereby withdrawn in view of Applicant's cancellation of claims 3, 14, and 25.

As per the rejection of claims 23-33 under 35 USC 112, first paragraph imposed in the previous Office Action, this rejection is hereby withdrawn in view of Applicant's amendment to claims 23-24, 26-33 and cancellation of claim 25.

As per the rejection of claims 1-11, 14, 23-33 under 35 USC 112 second paragraph imposed in the previous Office Action, this rejection is hereby withdrawn in view of Applicant's amendment to claims 1-2, 23-24, 26-33 and cancellation of claim 3, 14, 25.

As per the rejection of claims 23-33 under 35 USC 101 imposed in the previous Office Action, this rejection is hereby withdrawn in view of Applicant's amendment to claims 23-24, 26-33 and cancellation of claim 25.

***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim(s) 1-2, 4-13, 15-24, 26-36 is/are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per claim 1, the limitation "if" renders the scope of the claim indefinite. In particular, Examiner cannot ascertain if the following situations would infringe the claim:

1. The item complies, but the engine is NOT configured to transmit.
2. The item does NOT comply, but the engine IS configured to transmit.
3. The item does NOT comply, but the engine is NOT configured to transmit.

For purposes of applying prior art, Examiner interprets this limitation to recite that there should be no element in the system that explicitly prevents the system from configuring the engine to transmit should the item be determined to comply.

All claims dependent thereon, namely claims 2, 4-11, 34 fail to remedy these deficiencies, and are therefore rejected for at least the same rationale as applied to the rejection of claim 1, and incorporated herein.

Claims 12-13, 15-24, 26-33, 35-36 are rejected for at least the same rationale as applied to the rejection of claims 1-2, 4-11, 34 above, and incorporated herein.

Additional clarification is requested.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claim(s) 1-2, 4-7, 9-13, 15-18, 20-24, 26-29, 31-36 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Holloway (5253164) in view of Pritchard (4491725).

As per claim 1, Holloway teaches a system capable of processing medical claims (It is noted that processing is considered to be "conditioning", wherein medical claims are considered to be "clinically related billing items") (Abstract), comprising:

(a) a user interface capable of accepting unprocessed claims information as input (It is noted that unprocessed claims are considered to be "a preliminary billing item") (column 4 line 25-33, Figure 1 label 2);

(b) software means (It is noted that software means is considered to be "a conditioning engine") capable of performing claims verification before issuing payment (It is noted that claims verification is considered to be "the preliminary billing item by comparison against at least one mandatory billing guideline to determine compliance therewith") (column 4 line 54-64, Figure 1 label 5-6, Figure 2-7).

A person of ordinary skill in the art, upon reading Holloway, would also have recognized the desirability of improved methods of verifying claims to reduce cost by leveraging computer technology (column 3 line 6-14).

Pritchard teaches that analyzing the claim by a third party (Figure 1 label 26) or locally by the service provider (column 8 line 9-10) prior to transmitting the claim to the insurance carrier for payment (column 9 line 34-49) is one of a finite number of data processing methods known to be useful for verifying claims. Furthermore, Pritchard

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teaches methods of data processing that is explicitly applicable to claims verification (column 7 line 37 to column 8 line 43). Pritchard also inherently discloses to one of ordinary skill in the art that verifying the claim by a third party or locally by the service provider does not affect the functionality of the claims verification software (column 8 line 9, "Optionally").

Thus, it would have been obvious to a person of ordinary skill in the art to try the claims verification by a third party or locally by the service provider before forwarding the claim to the insurance carrier for payment as taught by Pritchard in an attempt to provide an improved claims verification system for the insurance carrier that is responsible for payment, as a person with ordinary skill has good reason to pursue the known options within his or her technical grasp. In turn, because verifying the claim before forwarding to the payer as claimed has the properties predicted by the prior art, it would have been obvious to verify the claim before forwarding to the insurance carrier for payment.

As per claim 2, Holloway discloses screening claims for overlapping medical procedures to prevent double payment (It is noted that screening guidelines as set forth by the insurance provider is considered to be "administrative guidelines") (column 3 line 38-68).

Insofar as the limitation "a regulatory guideline", neither Holloway or Pritchard need disclose this limitation in view of the limitation "at least one of".

As per claim 4, Holloway teaches a table of rules capable of being used in claims verification (It is noted that a listing of data elements to be verified against the claim information is considered to be "a compliance template") (column 4 line 14-15, Figure 6, Appendix B).

As per claim 5, Holloway teaches that the system considers criteria comprising:

(a) age of the patient (It is noted that the age of the patient is considered to be "a patient chart");

(b) medical procedures (It is noted that procedures are considered to be "physicians orders");

(c) CPT-4 codes;

(d) dates of treatments (It is noted that the treatment schedule is considered to be "a history and physical record") (column 4 line 28-33, column 3 line 38-68).

Insofar as the limitations "a medication administration record", "a set of progress notes", "a treatment plan", and "a radiology report", neither Holloway or Pritchard need disclose these limitations in view of the limitation "at least one of".

As per claim 6, Holloway teaches pending invalid claims for further review when the claim fails the preliminary check (It is noted that holding claims in a waiting area for further review is considered to be "a holds queue") (column 10 line 8-16, Figure 2).



As per claim 7, Holloway teaches further reviewing invalid claims (It is noted that since additional information is needed to aid in processing the claims, it is suggested that the claim will be further reviewed when additional information becomes available) (column 10 line 8-16).

As per claim 9, Holloway teaches the user obtaining information from the physician or the billing entity (column 10 line 8-16).

As per claim 10, Holloway teaches a knowledge base comprising a plurality of individual database elements capable of holding the information used in verification (column 4 line 35-40, Figure 2 label 17, 27, 34, 40, Figure 3 label 11, 12, 17, Figure 4-5).

As per claim 11, Holloway teaches that the knowledge base is updatable via a history database (column 4 line 68, column 5 line 1-3).

As per claim 13, Holloway teaches a method capable of verifying claims (Abstract).

Holloway and Pritchard do not teach "a regulatory guideline"; however, Holloway teaches that physician incentives resulting from upcoding are driving changes to the Medicare/Medicaid fee-payment schedule (column 1 line 39-65), and that there is a

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need to detect and correct errors arising from Medicare/Medicaid claims as the results of this upcoding (column 1 line 66 to column 2 line 16).

Since the marketplace reflects the reality that verifying claims against Medicare/Medicaid fee-payment schedule is commonplace, it would have been obvious to one of ordinary skill in the art of claims processing to use the claims verification system as jointly taught by Holloway and Pritchard with Medicare/Medicaid guidelines that are commonly available and understood in the art as shown by Holloway, in order to gain the commonly understood benefit of such adaptation, such as decreased errors and costs, and increased compliance with Medicare/Medicaid schedules.

As per claim 34, Holloway teaches the knowledge base requesting further information from the user or from the entity providing the claim (It is noted that the requested information is considered to be "mandatory documentation and affirming data elements") (column 4 line 60-62).

As per the set of claim(s): 12, 15, 16, 17, 18, 20, 21, 22, 23, 24, 26, 27, 28, 29, 31, 32, 33, 35, 36, this set of claim is rejected for substantially the same rationale as applied to the rejection of the set of claim(s): 1, 4, 5, 6, 7, 9, 10, 11, 1, 13, 4, 5, 6, 7, 9, 10, 11, 34, 34, respectively, and incorporated herein.

Claim(s) 8, 19, 30 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Holloway (5253164) in view of Pritchard (4491725) as applied to claims 7, 18, 29 above, respectively, and further in view of Miller (5235702).

As per claim 8, Holloway teaches that additional information may be inputted into the system for verification of the claim (column 4 line 28-33, column 3 line 38-68). Holloway further teaches the development of the knowledge base (column 10 line 51-64).

Holloway and Pritchard do not teach "an automated search for additional clinical documentation".

Miller teaches an automated method by which medical records may be converted into electronic format, wherein the data is searchable (Abstract, Figure 3).

All of the component parts are known in Holloway, Pritchard, and Miller. The only difference is the combination of the "old elements" into a single system by merging electronic medical records with the claims verification system.

Thus, it would have been obvious to one having ordinary skill in the art to provide electronic medical records as taught by Miller to the claims verification system as jointly taught by Holloway and Pritchard, since the electronic medical records is in no way dependent on the operation of the claims verification system, and the electronic medical records could be used in combination with a claims verification system with the predictable result of providing additional information to the knowledge base for verification.

As per the set of claim(s): 19, 30, this set of claim is rejected for substantially the same rationale as applied to the rejection of the set of claim(s): 8, 8, respectively, and incorporated herein.

### ***Response to Arguments***

Applicant's arguments with respect to claims 1, 8, 12, 13, 19, 23, 24, 30 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Form HCFA-1500.

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any


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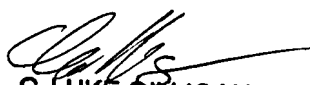
extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from Examiner should be directed to Tran N. Nguyen (Ken) whose telephone number is (571) 270-1310. The examiner can normally be reached on Monday - Friday, 9:00 am - 5:00 pm, Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, Examiner's Supervisor, Joseph Thomas can be reached on (571) 272-6776.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

TN   
08/03/2007

  
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